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Economic activity has firmed up the last month or so and the rise this fall is slightly exceeding the usual seasonal gain.

Employment increased in October with industries manufacturing durable goods showing the largest gain. Assemblies of automobiles are increasing as new models go into production. New orders received by manufacturers for durable goods have increased substantially. Construction, at record levels this fall, is likely to decline less than usual this winter.

Consumers are continuing to receive and spend income at record rates. Total purchases--by consumers, business and government--are exceeding the output of the nation's factories and business inventories continue to decline.

U. S. demand for farm products also is strong and agricultural exports are up a little from a year ago. However, total farm production this year is close to record levels and stocks carried over from previous years are large. Prices to farmers continue about 3% below a year earlier.

LIVESTOCK: Marketings of pigs produced last spring are being spread over a longer period than last fall, even though farrowings reached a peak earlier than in the spring of 1953. The seasonal low in prices is expected within the next few weeks, probably followed by a modest upturn in early winter.

Cattlemen began filling up their feed lots earlier this year than last. The number put on feed through mid-November was above same period in 1953. Marketings of cattle off grass this fall and winter may be a little less than last year; prices probably will hold at least as high.

DAIRY PRODUCTS: Farmers produced 9 billion pounds of milk in October, slightly more than a year earlier and the most for the month in 25 years of record. With 106.6 billion pounds produced in the first 10 months of 1954, total for year is expected to reach a record 124 billion. Last year, 121.2 billion pounds were produced.

POULTRY AND EGGS: Heavy supplies are continuing to hold poultry product prices well below a year earlier. The record egg output of September and October was about a tenth above a year earlier. This is the first year on record that average prices received by farmers for eggs failed to rise from spring to fall. Production, now increasing seasonally, will be at near-record levels next spring but is not likely to be as much above a year earlier as this fall. Prices probably will continue to drift lower for several months.

Turkey prices have strengthened recently, with sizes usually retailed for family use showing greatest gain. Difference between prices of heavy toms and light birds is greater this year than last.

Fewer broilers were placed in 12 areas from mid-October to mid-November than in the same weeks last year. This indicates reduced slaughter in January.

OILSEEDS: Prices to farmers for cottonseed and peanuts are above a year ago and the support levels. Reduced production is the main reason for strength in peanut prices. Increased competition among crushers for the smaller supply has resulted in higher prices for cottonseed. Movement of soybeans to market has been delayed, and export interest has been active. This has helped maintain soybean prices. The flaxseed crop is well above expected disappearance and prices are around support.

FEEDS: Corn prices, though declining as farmers harvest the new crop, are running above a year earlier. Prices are likely to rise later in the season and to average above a year earlier.

With the crops of oats, barley and sorghum grains much larger than last year, greater quantities have gone under price support.

WHEAT: Over a billion bushels of wheat are either owned by CCC or under loan and supplies of "free" wheat are relatively small. Prices in mid-November were generally near the season's highs.

FRUIT: Shipments of oranges from the new crop in Florida increased in October and prices to growers dropped to levels moderately below a year earlier. The early and mid-season crop is 11% above last year and 40% above average. The 1954-55 grapefruit crop, excluding the California summer crop, is 5% below last season and 8% below average. Grower prices have declined and in early November were close to a year earlier.

Sale of large quantities of apples blown from trees by the October hurricane reduced prices in eastern markets. Prices are likely to strengthen after these apples are used up.

VEGETABLES: Prices to farmers for potatoes have declined more than seasonally during the summer and fall but remain well above the low level of a year earlier. With the late crop down 4% from a year ago and reduced acreage in prospect for the winter crop, prices probably will stay above a year earlier for several months.

Growers are expected to harvest 7 percent less fresh vegetables this fall than last. Largest declines are expected for snap beans, broccoli, brussels sprouts, cabbage, cauliflower, celery and cucumbers.

COTTON: Prospects for the 1954 crop have improved this fall and yield per acre is expected to be a record 329 pounds, 4.8 pounds more than last year's peak. Production is now estimated at 13.2 million 500 pound bales. Nearly three-fourths of the crop had been ginned before November 1, the highest proportion for that date in 11 years.

WOOL: Use of wool by U. S. mills was below a year earlier each month from January through September. Imports have been running far under last year. Prices at world markets and at Boston declined in recent weeks. The average price to U. S. growers in mid-October was the lowest for the season to date.

TOBACCO: The total supply of burley for 1954-55 is 3 percent above 1953-54, with both production and carryover larger. Auction markets will open on November 30.